



REVENUE GENERATION FOR GOVERNANCE AND GROWTH (RG3)

May 2016 – May 2019 | Implementer: Development Alternatives Incorporated

The Revenue Generation for Governance and Growth (RG3) project is designed to build the capacity of targeted Government of Liberia (GOL) institutions, particularly the Ministry of Finance and Development Planning (MFDP) and the Liberia Revenue Authority (LRA), to improve domestic revenue mobilization in Liberia. RG3 will support the MFDP to develop the capacity to formulate sound, predictable, and fair revenue policies. It will also support the LRA to enhance its ability to effectively, efficiently, and transparently implement those policies and carry out its revenue collection mandate

CURRENT ACTIVITIES

- Upgrading data processing center to create transparency affecting up to 80% of revenues;
- Piloting mobile payment system with LRA and private telecommunications companies in Liberia
- Piloting e-filing system for LRA;
- Supporting the implementation of the Real Estate Tax pilot mapping exercise
- Executing SMS reminders to taxpayers to facilitate timely filing and payments
- Designing enterprise risk management framework with the LRA;
- Designing audit process and criteria for risk-based audit case selection for LRA
- Reviewing LRA audit manual;
- Training for 30 auditors of large taxpayers;
- Assisting LRA on General Sales Tax audits of large hotels;
- Assisting LRA to set up medium taxpayer pilot unit outside of Monrovia;
- Preparing micro-simulation modeling in Liberia;

ACCOMPLISHMENTS TO DATE

- Tax Benchmarking Report was accepted & published by LRA to set the stage for reforms;
- Established Data Processing Center for increased accuracy and transparency affecting up to 80% of tax revenues;
- Informed mobile tax payments roadmap for LRA / TelCos;
- Developed mobile tax payment roadmap for LRA and two private telecommunications companies in Liberia;
- New Excise Tax section of the revenue code has been developed;
- Increased taxpayer education by improving performance of the LRA Call Center;
- Conducted mobile taxpayer perception survey to identify issues and inform LRA activities;
- Helped fix bugs and improve performance of struggling LRA system (SIGTAS) by some 25-35%;
- Build consensus on accepting tax payments through commercial banks;
- Increased tax payment transactions due to SMS reminders and system improvements ; and
- 8,000 person hours of training on tax audits, excise & value added tax for LRA & MFDP

PLANNED OUTCOMES

- Reduced cost of compliance;
- Increased tax revenues as percentage of GDP;
- Improved revenue forecasting at MFDP & LRA; and
- Increased taxpayer education and compliance